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SENSITIVE
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FOR PM DAS GANYARD

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SUBJECT: SCENESETTER FOR DEPUTY ASSISTANT SECRETARY FOR STEPHEN
GANYARD

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Introduction

¶1. (SBU) Embassy Hanoi looks forward to welcoming you to Vietnam. Your visit will be an important contribution to the growing U.S.-Vietnam relationship and will highlight a broad area of bilateral defense and security cooperation that is gathering momentum in the wake of the Vietnamese Prime Minister's June visit to Washington. Your visit also will allow us to highlight how information provided by the Center for Bomb and Mine Disposal Technology has helped us approach mine action in a more systematic and transparent fashion. We are on the verge of an important evolution in how humanitarian mine action is carried out in Vietnam.

¶2. (SBU) The U.S.-Vietnam bilateral relationship continues to broaden and mature, in the process spurring economic, social and technological development that has eased the path for a limited expansion of personal freedom and expression for the people of Vietnam. Vietnam's economic successes have translated into greater international clout. Vietnam chaired the U.N. Security Council in July, a major diplomatic achievement for the GVN. GVN leaders understand that the United States plays a direct role in creating the conditions for their nation's success and are committed to advancing the bilateral relationship.

¶3. (SBU) Our strengthening relations are also due to Vietnam's realization that the United States is an important force in maintaining a stable geopolitical environment in which even "small" countries like Vietnam are assured their independence and freedom of action. As such, Vietnam's leaders speak positively and optimistically about the future of U.S.-Vietnam ties. Differences over human rights remain, however, and lingering fears that the United States supports the overthrow of the current regime continue to complicate the relationship. China also looms as a factor coloring Hanoi's reactions to our proposals in the security realm, as discussed further below.

Gradual Progress in Defense Cooperation

¶4. (SBU) Defense relations have advanced at a measured pace, but reflect the overall positive shift in the relationship. We conduct professional military exchanges with the People's Army of Vietnam (PAVN) in a limited but growing range of areas including military law, military nursing, public affairs, search and rescue, meteorological/ oceanographic (METOC) prediction, and disaster preparedness. PAVN officers have been invited as observers to Cobra Gold for the past four years and routinely attend U.S. Pacific Command-sponsored multilateral conferences. Since 1997, over sixty GVN officials, including more than thirty PAVN officers, have attended courses and seminars at the Asia Pacific Center for Security Studies (APCSS). PAVN also now sends observers to the

annual Cooperation Afloat Readiness and Training (CARAT) exercises.

15. (SBU) Since 2003, U.S. Navy ships have made five port visits to Vietnam, including most recently a November 14-18, 2007 visit by two mine countermeasures ships, the USS Guardian and the USS Patriot, at Haiphong port. In June, Vietnam participated in the Pacific Partnership mission of the USNS Mercy. In 2005, Vietnam agreed to participate in the International Military Education and Training Program (IMET). In 2007, we accelerated the pace of IMET and provided a language laboratory in Hanoi using IMET funds. In FY08, IMET expanded mil-mil contacts through a U.S. mobile training team visit for military medical techniques training. The GVN also continues to send well-qualified candidates to English language training and English language instructor training at the Defense Language Institute (DLI). Reaching our full potential for closer cooperation in defense activities, including multilateral peacekeeping, humanitarian assistance efforts and attendance at U.S. military schools will require time, persistence and patience.

Upcoming Defense Talks

16. (SBU) Planning continues for the first U.S.-VN Defense and Security Talks to be held in Hanoi in October of this year. The GVN knows that PM A/S Kimmitt will lead the U.S. side, but has yet to designate the MFA official who will lead their team. The GVN is currently reviewing our proposed agenda and your visit will be an opportunity to follow up on any outstanding agenda items. The GVN has asked that we not call attention to the talks in public fora, citing regional political sensitivities, but has agreed to announcements about the talks after the fact. We have agreed in principle to a low key approach, but also noted that the talks were highlighted publicly during PM Dung's visit.

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Global Peace Operations Initiative

17. (SBU) Over past years, the GVN has expressed increasing interest in the potential for involvement in peacekeeping missions, especially those organized under UN auspices. Vietnam's recent UN Security Council membership has given significant impetus to such thinking. Nonetheless, the GVN will have to do much more to meet the remaining challenges of the lack of interoperability, the paucity of English language speakers in the military and complications due to funding issues in order to fully engage in future peacekeeping operations. Their participation in Global Peace Operations Initiative (GPOI) is an important step in this direction.

18. (SBU) The Joint Statement from PM Dung's June visit to Washington highlights Vietnam's agreement to participate in the GPOI through participation in training courses and other peacekeeping operations activities. The next step is crafting a "country plan" for Vietnam. This will involve a "Program Design & Development Visit" to Hanoi by a team from PACOM and the Center on Civil-Military Relations (CCMR) at the Naval Post-Graduate School. In discussion with MOD and MFA officials and the Embassy, the team will craft a GPOI training plan tailored to Vietnam's current capabilities and priorities. PACOM will elaborate at the mil-mil Bilateral Defense Dialogue (BDD), planned for mid-September in Hawaii, with further follow-up during the October Defense and Security Talks, as needed. Post has previewed these steps with both MFA and MOD, but expects that the GVN will not provide an official response until further details are forthcoming at the September BDD.

Impacts of Remaining UXO

19. (SBU) In your meetings, you are likely to hear references to "consequences of war" or "legacies of war" issues. This is the catch-all term that the GVN applies to a myriad of problems, including Agent Orange(AO)/Dioxin contamination, unexploded ordnance (UXO) and land mines from the war era, and the incomplete recovery

of missing Vietnamese military personnel.

¶10. (SBU) Since 1989, USAID, with support from the Patrick J. Leahy War Victims Fund (LWVF) and other sources, has provided over USD 43 million to support NGOs and private voluntary organizations to develop comprehensive programs for people with disabilities. In addition, since 1993 the USG has actively assisted the people of Vietnam in overcoming the social and economic impacts of remaining UXO from the war. Vietnam was formally accepted as the 37th participant in the U.S. Humanitarian Demining Program in June 2000, and the USG is now the largest donor of humanitarian assistance for mine action programs in Vietnam. The USG has invested over USD 37 million in a broad spectrum of programs not only to locate, remove and destroy unexploded ordnance and landmines, but also to address the UXO effects on health and livelihood of Vietnamese living in affected areas.

¶11. (SBU) Today, various NGOs conduct UXO and land mine clearance, risk education and victim rehabilitation. The USG has also donated a significant quantity of equipment to the PAVN to assist efforts in UXO and landmine clearance and return land to productive use. In 2006, the State Department provided USD 3.5 million to support UXO action and demining activities in Vietnam, almost a third of which went directly to PAVN in the form of donated demining equipment. FY08, an additional USD 2.5 million will be provided to underwrite mine action related activities in Vietnam. For FY08, Congress directed that approximately \$2.5 million be spent on demining programs, a substantial increase from the \$800,000 requested by the Administration.

¶12. Internally, we look forward to continuing our discussions on the FY09 Humanitarian Mine Action Country Plan for Vietnam. We are working as a team in approaching the complex and challenging problem of Explosive Remnants of War (ERW) and their impact in Vietnam. The development of a strategic framework that both maximizes the immediate effective impact of limited resources on the ground, while facilitating the growth of organic planning and management capacity is a difficult balance to strike, but one which is critical to Vietnam's ability to address the problem of ERW in the years to come. Tackling these issues will require implementing mechanisms to effect mine action in some of Vietnam's most densely contaminated provinces (Quang Tri and Quang Binh) in accordance with a strategic vision that prioritizes actual clearance activity over other related mine action activities. However, support for training and consultation activities to advance the development of management capacity at the provincial and national level will also be crucial to achieving a lasting positive impact on Vietnam's own mine action capacity for many years to come.

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¶13. The Mission Input to the FY09 Humanitarian Mine Action Country Plan identified several key developments that suggest that the Government of Vietnam is beginning to take a very hard look at developing a national mine action center with defined management responsibilities and authority for mine action throughout the country. Moreover, recent information provided by the Center for Bomb and Mine Disposal Technology (BOMICEN) suggest that the advice we have been providing them over the last several years has finally made an impression and that they now share our determination to approach mine action in a more systematic and transparent fashion. We are at the cusp of a significant evolution in the way that humanitarian mine action is carried out in Vietnam, perhaps the most significant development in a decade.

¶14. As such, we see significant value in funding a seminar/workshop that brings consultative experts in the field of mine action management from Cranfield University or James Madison University to work with national and provincial stakeholders to identify infrastructure, technology and TTPs required for the establishment and operation of a true Vietnam Mine Action Center (VMAC) with real management authority. Vietnam would also benefit from a guided stakeholder case analysis of existing Land Impact Survey data for the development of a regional mine action strategy to serve as a road map for this nascent VMAC.

¶15. We have a key opportunity to taking our assistance to the next level by providing the management expertise that can serve ultimately to make Vietnam's own mine action efforts more efficient and effective, while making Vietnam more competitive in the competition of increasingly scarce humanitarian assistance from global donors.

Agent Orange/Dioxin

¶16. While debate continues over the human impact of AO, recent studies reveal that dioxin contamination is concentrated in approximately 20 "hotspots," mostly former U.S. bases where AO was stored. Areas subjected to heavy aerial spraying do not currently have soil concentrations considered hazardous. Our engagement on this issue has accomplished much, in both transforming the tone of the dialogue and capacity building. Projects have included work at the Danang airport as well as a USD 3 million Congressional appropriation for "dioxin mitigation and health activities," which USAID has begun to implement. The USG is continuing to work with the GVN, UNDP, Ford Foundation and other NGOs to discuss the next steps in the environmental remediation of three priority hotspots in Danang, Hoa Binh and Phu Cat airfields.

Fullest Possible Accounting

¶17. (SBU) The re-establishment of diplomatic relations and normal defense contacts continue today. U.S. military and DoD elements efforts achieve the fullest possible accounting of Americans missing from the Vietnam Conflict predate. Since 1988, the Joint POW/MIA Accounting Command (JPAC), a USPACOM subordinate element, has evolved to include forward Detachments in Vietnam, Laos, and Thailand/Cambodia. With its Vietnam Detachment (Det 2), it has completed 90 Joint Field Activities (JFA), which incorporated extensive research, interviews, analysis, and excavations in order to accomplish its mission. From its inception, Det 2 has forged good relations with its GVN counterparts. In December, 2006 the GVN approved the use of U.S. naval vessels to operate within their territorial waters in order to enhance JPAC's underwater investigations towards the identification of potential recovery sites. Ultimately, JPAC's efforts in Southeast Asia have resulted in accounting for 880 Americans previously listed as MIA; 1766 remain missing throughout Southeast Asia. Internal political considerations compel senior Vietnamese leaders to ask us to pay as much attention to their MIA as we do to ours.

Counterterrorism

¶18. (SBU) Vietnam says the right things about the threat of global terrorism and has participated with us in modest cooperative activities. During President Bush's visit in 2006, the President and his Vietnamese counterpart pledged to increase cooperation to halt the proliferation of weapons of mass destruction and related technology and materials in accordance with international and national laws and each country's capacities. The United States provides counterterrorism assistance to Vietnam by funding Vietnamese participation in counterterrorism-related training at the International Law Enforcement Academy (ILEA) in Bangkok, and through military-to-military exchanges with an emphasis on counterterrorism themes. Vietnam has signed eight out of thirteen UN terrorism conventions. Approval of the remaining five is winding its way

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through the cumbersome GVN bureaucracy, the delay explained in part by GVN concern with its capacity to carry out obligations under the conventions.

Expanding U.S. Naval Ship Visits

¶19. (SBU) While we have regularized our SOP for regular ship visits over recent years, the GVN has remained firm in limiting the frequency of port visits by U.S. Navy vessels to one a year. This restriction is frequently cited as being consistent with GVN laws

that regulate visits by foreign warships; however, some other nations conduct more frequent port visits. While it may be unproductive to demand more frequent port calls, we still seek to persuade the GVN to permit more frequent access for limited, technical calls (i.e., for refueling and replenishment). This would support our overall goal of increasing routine access for U.S. Naval vessels at Vietnam's ports, while not escalating the pace of military contacts beyond a level that is comfortable for the GVN. We also hope to continue asking the GVN to participate in fly-outs and believe that the general positive trend in the relationship will result in an acceptance at some point soon.

¶20. (SBU) Similarly, we hope to reverse the PAVN leadership's reluctance to participate in distinguished visitor fly-outs to U.S. Navy vessels transiting the South China Sea. To date, these have been rebuffed due to concerns over the "appearance of Vietnam's participation in joint exercises with the United States." This, clearly, is code for limiting advances in the relationship to a pace that does not discomfort the Chinese.

Humanitarian Assistance

¶21. (SBU) Since 1995, U.S. Agency for International Development (USAID) programs have provided aid in legal reform, governance, economic growth, HIV/AIDS, environmental protection and disaster prevention. For FY 2007, total U.S. assistance from all agencies was about USD 86.6 million, most of which has gone towards providing health-related assistance, notably in the area of HIV/AIDS treatment and prevention. Vietnam is one of fifteen countries in the President's Emergency Plan for AIDS Relief (PEPFAR), with USD 65 million provided in 2007 to expand integrated HIV/AIDS prevention, care and treatment programs. This figure includes approximately USD 3.1 million dollars for the Department of Defense (DOD)-managed portion of PEPFAR HIV/AIDS programs with Vietnam's Ministry of Defense.

¶22. (SBU) Since 2000, DOD has supported a wide variety of Overseas Humanitarian, Disaster and Civic Aid (OHDCA) projects in Vietnam. Through USPACOM, the U.S. Government has sponsored the construction of eight medical clinics in Thua Thien-Hue Province, a primary school in Quang Binh Province, and two centers for disabled children in Quang Binh Province. Two additional humanitarian assistance construction projects were completed in the summer of 2007 and turned over to local authorities in Central Vietnam: a medical clinic in Quang Binh Province, and a 10-room primary school in Quang Tri Province. Additionally, USPACOM has facilitated multiple donations of excess medical property to various medical facilities throughout Vietnam. Five senior representatives of the Vietnam People's Navy Medical Branch and Military Medical Department are in the middle of a visit to the United States. These representatives will take in U.S. Navy medical facilities in Southern California such as the U.S. Navy Hospital Balboa, the Field Medical Training Battalion, and U.S. Navy Hospital Camp Pendleton and will tour a typical battalion aid station and medical facilities aboard U.S. Navy ships.

A Word on the Economy

¶23. (SBU) After a decade of isolation and failed economic policies, Vietnam is determined to catch up with the Asian tigers. Vietnam's "doi moi" (renovation) program of economic reform, begun in 1986, has set the country on a successful market economy path, with an average growth rate of 7.5 percent over the past decade. The GVN focuses on exports and foreign direct investment in its drive to achieve middle-income status by 2010. The United States is currently Vietnam's largest export market and third largest overall trade partner. U.S. investors tell us the key challenges they face in Vietnam are underdeveloped infrastructure, a shortage of skilled workers and managers, and the considerable level of state participation in the economy. For its part, the GVN is grappling with issues of corruption, improving the legal environment, and implementing its WTO commitments. Vietnam's current turmoil is rooted in high inflation (27 percent year-on-year July), the large current account deficit, and inefficient allocation of resources, which is particularly obvious in the disproportionate amount of

state resources devoted to powerful State Owned Enterprises (SOEs).

Human Rights Challenges

¶24. (SBU) Serious human rights problems in Vietnam include lack of freedom of speech, freedom of assembly and freedom of the press. One of our key objectives is to end the use of catch-all "national security" provisions for the prosecution of peaceful dissent. We continue to call for the release of all prisoners of conscience, but where we see individuals expressing their political opinions, many of our government interlocutors see "lawbreakers" trying to destabilize the regime. The recent arrests and sackings of Vietnamese reporters and editors in the wake of a corruption scandal reveal the on-going battle within the GVN over the role of freedom of the press. The continued existence of groups in the United States that advocate regime change complicates human rights engagement by providing ammunition to hard-liners who want to stoke the fading paranoia that we are indeed still "the enemy." Reassuring the GVN that the USG does not support separatist groups will help build a human rights dialogue based on mutual trust.

The China Factor

¶25. (SBU) While Vietnam's engagement with the United States will continue to broaden, China is necessarily Vietnam's most important strategic preoccupation. This is not to say that Vietnam is "choosing" China over the United States; the situation is much more complex than that. Vietnam's leadership is sophisticated enough to realize that relations with China and the United States do not represent a zero sum game; it is possible to have good relations with both. Each relationship also creates challenges, however. While China constitutes a vital commercial partner and former ally, it is also perceived as a significant and frustrating constraint to Vietnam's freedom of action.

¶26. (SBU) Chinese bullying of foreign companies in an attempt to compel them to cease oil and gas exploration efforts in the South China Sea serves to remind Vietnamese officials that while the Vietnamese may not approve of all U.S. policies, the same is certainly true of Chinese actions. While progress has been made in settling the land border, there is no commonality of views on sovereignty issues regarding the South China Sea, known as the "East Sea" to the Vietnamese. Hanoi is also "riding the tiger" with regard to managing the deeply negative views toward China of many Vietnamese. China is widely disliked and distrusted as a former colonial master, and Beijing's actions in the Spratlys and Paracels threaten to inflame those passions. Should Hanoi allow unconstrained protests against the Chinese, however, it would appear weak in the face of calls to action that it could not satisfy, as well as risking Beijing's anger.

¶27. (SBU) The GVN is understandably cautious with regard to China's potential reaction to enhancements in Vietnam's cooperation with the United States. U.S.-Vietnam cooperation in the security field is also constrained by an institutional conservatism born of concern over "peaceful evolution" as a real threat to the regime, as well as by an ingrained caution on the part of Vietnam's military in the face of relative power calculations vis-a-vis China.

Future Prospects

¶28. (SBU) The GVN recognizes the strategic importance of the United States in the region and the world, but is not shy about raising the specter of "peaceful evolution," or to criticize U.S. actions it perceives as outside the multilateral system. They routinely chafe over U.S. criticism of Vietnam's human rights and religious freedom record. Nonetheless, Vietnam's leaders are also pragmatic and recognize that Vietnam's own continued economic well-being, growth and security are, in large measure, inexorably tied to its relationship with the United States.

¶29. (SBU) Vietnam has begun to explore opportunities within regional

organizations to increase joint efforts against terrorism, narcotics, maritime piracy and other issues of shared concern. Vietnam recently began joint sea patrols with other neighbors in the Gulf of Thailand and has established hotlines to help facilitate coordination along sea boundaries. Nevertheless, for historic and foreign policy reasons, the GVN is generally reluctant to speak out against its "traditional friends" such as North Korea and Iran when they engage in behavior that the rest of the international community condemns.

What You Can Expect

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130. (SBU) You can expect your interlocutors not only to be articulate and well informed, but also to speak in terms generally supportive of growth in the bilateral relationship. As noted above, lingering suspicions still exist among conservatives in leadership about the development of closer ties with the United States, but the overall tenor is one of support and interest at a measured pace that will not upset the GVN's calibrated attempts to maintain balance among its other regional partners. Your trip to Hanoi will continue to help translate those good feelings into measurable accomplishments in the defense and security relationship. We look forward to your visit and stand ready to do everything we can to make your time in Vietnam as productive as possible.